

This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 04 ROME 000584

SIPDIS

SIPDIS

E.O. 12958: DECL: 02/16/2016

TAGS: [PGOV](#) [PREL](#) [ECON](#) [MARR](#) [PARM](#) [MOPS](#) [ELAB](#) [EINV](#) [IT](#) [ITALY](#) [NATIONAL](#) [ELECTIONS](#)

SUBJECT: ITALY'S UNION COALITION PROGRAM: FAULT LINES ON
THE LEFT

Classified By: Political Minister Counselor David D. Pearce for reasons
1.4 (b) and (d).

SUMMARY

1. (C) Romano Prodi presented the center-left Union coalition's 281-page governing program on February 13. As opposed to establishing a concrete program for the Union coalition should it win the April 9 national elections, the document has been viewed by critics from both the right and the left as an index of the Union's internal disputes. The Eurocentric foreign policy section is relatively short, heavy on pacifist language, stresses multilateralism and "rebalancing" transatlantic relations, recognizes the importance of the Middle East, calls for a withdrawal of Italian troops from Iraq in consultation with the Iraqi government, and anticipates a re-examination of the disposition of Italian military facilities. Long on analysis of Italy's economic and social ills, it is weak on prescriptions for change. Although the foreign policy portion is cause for concern, e.g., the near absence of reference to NATO, the document serves mainly to underscore the fault lines within the center left itself. END SUMMARY.

UNITY IN DISCORD

2. (SBU) Romano Prodi presented the center-left "Union" coalition's 281-page governing program on February 13. The presentation ceremony featured Prodi standing on a stage together with the leaders of the varied political parties in Prodi's coalition. The event was meant to highlight coalition unity and a forward-looking governing program, the result of months of careful negotiation. Not surprisingly, the program is a laundry list of general proposals on social, environmental and labor issues.

3. (C) As opposed to establishing a concrete program for the Union coalition should it win the April 9 national elections, the document has been viewed by critics from both the right and the left as an index of the Union's internal disputes. The day after its presentation, a major battle broke out over the absence of language on the controversial Lyon-Turin high-speed rail (TAV). Communist Renewal and Green Party leaders said its absence means the project would be canceled while Prodi assured nervous moderates and business leaders the project would go forward. Internal bickering has also occurred over whether the Union should continue PM Berlusconi's policy toward Israel (Daisy Party) or whether it should be reversed completely (Italian Communist Party). One Daisy party official told Poloff not to worry about he termed "this trash document" that they were forced to draft with communists and greens. Poloff noted that they would have to govern with those same people.

FOREIGN POLICY

4. (SBU) The foreign policy section is relatively short, places Europe at the center of foreign policy, is heavy on pacifist language, stresses multilateralism, recognizes the importance of the Middle East, calls for a withdrawal of Italian troops from Iraq and for reassessing the disposition of the country's military facilities. Iran is not specifically mentioned, though the program does refer to the problem of weapons proliferation. A summary is provided below:

--European integration: Europe and deepening European integration is the center-left's "guiding principle." The Union repeatedly describes EU federalism as a strategic goal, states that Italy's national interests fold into those of Europe and that it will work for the resumption of the EU's institutional reform process. It proposes a Europe-wide

referendum in 2009 on the EU Constitution in conjunction with European Parliamentary elections. It supports the accession of Romania, Bulgaria and Croatia and underscores the need to integrate western Balkan countries into Europe in order to encourage the resolution of lingering conflicts. It favors accession negotiations for Turkey but points to the need for Turkey to comply fully with the Copenhagen criteria and to resolve issues of political and institutional reform, human rights, and the rights of minorities. NATO receives no direct mention and notably not in its role as a locus for transatlantic political consultation.

-- Common EU Foreign, Security, Defense Policies: The program says a common EU foreign and security policy (CFSP) and a common EU defense policy (ESDP) are major priorities. The Union proposes implementing a CFSP immediately by creating an EU foreign minister, abolishing veto powers on foreign policy decisions within the EU Council, using enhanced cooperation as often as possible in decision-making processes and in conflict prevention and management, and creating an EU seat in international organizations, such as the IMF, WB, and UNSC. Italy will implement this policy during its UNSC rotational presence in 2007 by coordinating EU policies within the Security Council. The emphasis is on policy rather than development of military capabilities. There is no representation of ESDP, however, as competitive with or replacing the transatlantic Alliance in a military sense.

--United Nations/International Criminal Court/IAEA: The Union's second guiding principle is what the platform characterizes as Italy's "vocation for peace" and is pegged to article 11 of the Italian Constitution, which rejects war as a method to resolve international controversies. The focus is on multilateralism and multipolarism, in particular regional organizations like the EU. Making the UN stronger is a priority and Italy can/can relinquish part of its national sovereignty to the UN. The use of force is allowed only in the greater context of collective security and for international police functions, in accordance with Chapter VII of the UN Charter. In full compliance with article 47 of its Charter, the UN should create a Military Staff Committee and a ready alert contingent. Genocide is an attack against another country and requires self-defense, and the General Assembly should be given more powers toward this end. The role of the International Criminal Court should be enhanced. Efforts must be made for concrete progress toward the disarmament of nuclear powers, in order to then apply a "more effective pressure" on the new nuclear countries and on those that have nuclear ambitions. The IAEA must be given more powers to obtain full NPT compliance.

-- Rebalancing Transatlantic Relations: Italy must work to enhance the UN system, reform the UN, become again a lead country in Europe, and "re-affirm and rebalance transatlantic relations in order to contribute to international security and assure peace and justice among nations."

-- Terrorism: Terrorism is unacceptable and "unjustifiable." The struggle against terrorism must be carried out using "political methods, the intelligence services, and by opposing terrorist organizations." It is necessary to develop a global strategy that should be articulated thus: cooperation among intelligence services, control of suspect financial flows and safe haven countries, development cooperation agreements with third countries. (Note: There is no reference to the use of military troops, and some coalition members distinguish between legitimate insurgency and terrorism. End Note.)

-- Iraq: The program states that "the war in Iraq and the occupation were a serious mistake." It continues that it "weakened the UN and undermined multilateral world governance." On the future of Italian troops in Iraq, it states that, "immediately after parliamentary elections in April, the Union will ask the Italian parliament to vote for the withdrawal of Italian troops. Withdrawal would occur according to a schedule that is based on a timing that is technically needed for withdrawal and in consultation with the new Iraqi Government in order to guarantee security. Withdrawal will be accompanied by a "strong political initiative to support.... transition toward democracy in Iraq and contribute to finding a path for Iraq to attain full democratic stability and which would give Iraqis full sovereignty over their country." (Note: The word used is "consultation" and not "agreement." The program does not address the need to consult or coordinate Italy's withdrawal with any of the other members of the coalition of the willing that are still in Iraq. The US is never mentioned in the chapter on Iraq. End note.)

-- Mediterranean: The Union's priority is an active Italian and EU "neighborhood policy" with countries in the Mediterranean region. "Italy must work for a peaceful, stable and democratic Mediterranean" through special relations with all and new development policies based on

universal principles and intercultural dialogue. The end goal is a common Euro- Mediterranean space. Regional disarmament and denuclearization must be pursued.

-- North-South and Solidarity: The Union proposes to increase public funds for development assistance programs in the poorer countries. "Armed forces must never be used for humanitarian intervention or development assistance."

--New Defense Policies: The Union's intent is to (1) work on European defense and on cooperation between the EU and the US; (2) reorganize a new and modern defense system; and (3) focus on human resources. Enhanced/structured EU cooperation on defense has begun and should proceed rapidly. In order to address the problems that derive from a unipolar world order, "we must aim for an autonomous European defense, albeit linked to the Atlantic Alliance, which is undergoing in-depth changes." The Union will propose the need to firmly anchor Italy's strategic position in Europe, as a player in Europe's integration policies, as well as a loyal ally of the United States. Italy's defense system must be made more "flexible and integrated at a European level with our allies."

--Military Basing: The program cites the changed strategic situation after the end of the Cold War and the need for repositioned and modernized, more efficient forces. The program also anticipates a shift of military facilities and units toward southern Italy, both closer to threats emanating from the Mediterranean and to many soldiers' homes in the new all-volunteer military. This relocation of some military presence to the south would be a result of a promised "redefinition of the military burden ('servitu' militare') borne by our territories, particularly in regard to nuclear bases." The program foresees a second National Conference to examine the issue of the military burden borne by different Italian regions. (NOTE: This item primarily concerns Italian national military presence and, apart from La Maddalena, does not raise questions about U.S. military presence at Italian bases. The military burden discussed has long been a controversial issue in Sardinia, which bears a disproportionate burden in terms of military right-of-way, training areas, practice ranges, etc. In November 2005, DS Secretary Piero Fassino publicly promised Sardinian Regional

SIPDIS

President Renato Soru that the center-left would advocate for shifting military burden to other regions and would call a national conference on the issue. The only facility in Italy that might qualify in the public eye as a "nuclear base" is La Maddalena, now scheduled to be closed.

THE ECONOMY: WHY ITALY IS IN DECLINE

15. (SBU) In the section "Why Italy is in decline," the Union details a series of well-known problems with the Italian economy. The analysis is precise and some of the solutions track results from the Ambassador's Partnership for Growth. The program is generally short on specific solutions to these well-known problems. It generally offers generic solutions that observers believe will be difficult for a fractured coalition to implement.

16. (SBU) The Union proposes a renewed industrial policy to strengthen small companies and shift to more technically advanced sectors; a reform of public spending, primarily investments; the strengthening of industrial districts and their conversion into technology parks; and implementation of measures aimed at improving competition in all sectors of the economy. The Union plans to propose a new governance model for growth and competitiveness--a major reorganization and coordination between the government, line ministers and the regions. In particular, the Union proposes the creation of a new ministry for the real economy that would be in charge of initiatives of economic competitiveness, support to companies, energy policy, competition, and internationalization.

SOCIAL AND LABOR ISSUES

17. (SBU) The Union program is highly critical of Berlusconi's social and labor policies, which it claims have created a precarious work environment. As a solution, the Union proposes a laundry list of labor and pension reforms, family-friendly work policies, education schemes and immigration reforms. Union groups have criticized the program as too long and inclusive to be a serious proposal.

COMMENT

18. (C) The Union's proposals for social and economic policy are too broad and vague to be meaningful, and many of the

proposed labor reforms would increase the deficit and work against measures designed to increase the efficiency of the Italian economy. The foreign policy chapters contain some areas of real concern, especially as regards a potentially hyper-Eurocentricity and the near absence of any reference to NATO. While the issue of re-examining the disposition of military facilities makes no direct mention of NATO or the US, this will be an issue to watch in the event that the far left were to emerge with strong influence within a center-left coalition post-April 9. The language on Italian troop deployments to Iraq is sufficiently vague to please both the moderates and extremists within the Union and contains no real surprises. In brief, the document is a hodgepodge, and serves best as a guide to the fault lines within the center left itself. END COMMENT.

SPOGLI